

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature – Second Regular Session

MINUTES RECEIVED
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3-9-16

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Report of Regular Meeting
Tuesday, March 8, 2016
House Hearing Room 1 -- 2:00 p.m.

Convened 2:06 p.m.

Recessed

Reconvened

Adjourned 2:55 p.m.

Members Present

Mr. Ackerley
Mr. Andrade
Mr. Borrelli
Mr. Campbell
Ms. Fann
Mrs. Fernandez
Mr. Kopec
Mr. Stevens, Vice-Chairman
Mr. Gray, Chairman

Members Absent

Agenda

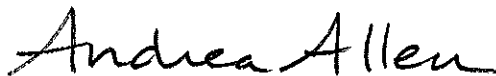
Original Agenda -- Attachment 1

Request to Speak

Report -- Attachment 2

Committee Action

<u>Bill</u>	<u>Action</u>	<u>Vote</u>	<u>Attachments</u> (Summaries, Amendments, Roll Call, Attendance)
SB1131	NOT ASSIGNED		
SB1490	DPA	8-1-0-0	3, 4, 5
SB1492	DP	5-4-0-0	6, 7
Committee attendance			8



Andrea Allen, Chairman Assistant
March 9, 2016

(Original attachments on file in the Office of the Chief Clerk; video archives available at <http://www.azleg.gov>)

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - Second Regular Session

Convened 2:06pm
adjourned 2:55pm

REGULAR MEETING AGENDA

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

DATE Tuesday, March 8, 2016

ROOM HHR 1

TIME 2:00 P.M.

Members:

Mr. Ackerley
Mr. Andrade
Mr. Borrelli

Mr. Campbell
Ms. Fann
Mrs. Fernandez

Mr. Kopec
Mr. Stevens, Vice-Chairman
Mr. Gray, Chairman

Bills

Short Title

Strike Everything Title

*SB1131

first responder special plates

**

not

(Miranda, Meza: Begay, et al)

assigned

SB1490

transportation funding; task force

dpa

(Worsley, Begay, Dalessandro, et al)

8.1.0.0

TI, RULES

SB1492

taxis, limousines, livery vehicles

dp

(Worsley, Bradley, Cobb, et al)

5.4.0.0

TI, RULES

* If first read and assigned

** On previous agenda

ORDER OF BILLS TO BE SET BY THE CHAIRMAN

asa
3/3/16

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Information Registered on the Request to Speak System

House Transportation and Infrastructure (3/8/2016)

SB1131, first responder special plates

Support:

Laura Contreras, representing self; Laura Fisher, representing self; Earl Fisher, representing self

Oppose:

Megan Kintner, AZ ASSOCIATION OF COUNTIES

All Comments:

Earl Fisher, Self: Being a Police Officer for 40+ years and seeing how the 100 Club has been there for many of my co-workers families, I pray that you will support this bill.; Megan Kintner, AZ ASSOCIATION OF COUNTIES: Opposed on behalf of the County Sheriffs

SB1490, transportation funding; task force

Testified in support:

Tony Bradley, President and CEO, Arizona Trucking Association

Support:

Kevin McCarthy, Arizona Tax Research Association; Robert Shuler, Fresh Produce Assn Of The Americas; Heather Wilkey, Town Of Gilbert; Brad Lundahl, SCOTTSDALE, CITY OF; Kevin Adam, Rural Transportation Liaison, Rural Transportation Advocacy Council; Ryan Peters, CHANDLER, CITY OF; Eric Emmert, East Valley Chambers Of Commerce Alliance ; Patrice Kraus, LEAGUE OF ARIZONA CITIES & TOWNS; Steve Trussell, AZ ROCK PRODUCTS ASSN; Tom Dorn, 3M COMPANY, East Valley Chambers Of Commerce Alliance , HDR Engineering, MCLANE COMPANY INC

All Comments:

Tony Bradley, Arizona Trucking Association: With committee amendment the ATA supports S1490

SB1492, taxis, limousines, livery vehicles

Testified in support:

Marilyn Purvis, UBER TECHNOLOGIES, INC; John MacDonald, Total Transit, Inc.

Testified as neutral:

Marilyn Purvis, UBER TECHNOLOGIES, INC

Support:

Tom Farley, Total Transit, Inc.; Michael Hunter, BARRY GOLDWATER INSTITUTE FOR PUBLIC POLICY RESEARCH;
Meghaen Dell'Artino, SUPERSHUTTLE INTERNATIONAL; Dianne McCallister, SUPERSHUTTLE INTERNATIONAL;
Timothy La Sota, VIP TAXI

All Comments:

Marilyn Purvis, UBER TECHNOLOGIES, INC: Need and amendment in COW.



HOUSE OF REPRESENTATIVES

SB 1490

transportation funding; task force
Prime Sponsor: Senator Worsley, LD 25

X Committee on Transportation and Infrastructure

Caucus and COW

House Engrossed

OVERVIEW

SB 1490 establishes the Surface Transportation Funding Task Force.

PROVISIONS

1. Creates the Surface Transportation Funding Task Force (task force) consisting of seven members:
 - a. three members appointed by the Governor,
 - b. two members appointed by the President of the Senate, and
 - c. two members appointed by the Speaker of the House of Representatives.
2. Requires the appointment of members to be made within 30 days after the effective date.
 - a. Stipulates if 40 days after the effective date all members have not been appointed the appointing authorities shall jointly fill the remaining unfilled positions.
3. Requires each member appointed to have at least 10 years of experience in:
 - a. State or local taxation,
 - b. revenue forecasting,
 - c. economic forecasting,
 - d. municipal debt issuance, or
 - e. state or local government finances in this state.
4. Specifies that a member may not hold elected public office or be employed by a transportation planning agency during the time served on the task force or for five years after the time they were appointed.
5. States no more than four members can reside in any one county and the remaining members must be residents of at least three different counties.
6. Requires the Governor, in consultation with the President of the Senate and the Speaker of the House of Representatives, to designate a task force chairperson and vice-chairperson.
7. Mandates the task force to:
 - a. review the existing reports and analyses regarding transportation needs and revenue sources in Arizona;
 - b. recommend specific revenue proposals for dedicated funding sources for principal interstate highways in Arizona that are sufficient to meet projected interstate freight capacity needs for twenty years;
 - c. recommend specific revenue proposals for dedicated incremental funding sources for the highway user revenue fund (HURF) that are sufficient to meet the statewide needs of the state highway system and associated proportionate funding for local government

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SB 1490

- recipients of highway user revenues based on the highway user revenue distribution requirements;
- d. recommend specific revenue proposals for dedicated funding sources for the entire Department of Public Safety Highway Patrol costs excluding any monies from HURF;
 - e. recommend specific revenue proposals for dedicated funding options for regional state highway system and highway capacity needs for 20 years;
 - f. recommend specific revenue proposals for dedicated funding options for local city, town and county roads and streets;
 - g. conduct a statewide study in consultation with the Department of Administration (ADOA) to identify vacant or underused buildings owned by the state and determine if selling them could provide funding for transportation projects;
 - h. prioritize the recommendations if the task force recommends more than one proposal;
 - i. engage in any other related duties as determined by the task force members.
8. Requires the task force to meet at least monthly at the state capital in a hearing room at either the Senate or the House of Representatives.
 9. Stipulates a task force member's position will be considered vacant after:
 - a. a member misses two consecutive meetings and a new member is appointed by the appointing authority within 20 days after the second missed meeting; or
 - b. a member misses at least three meetings and a new member is appointed by the appointing authority within 20 days after the third missed meeting.
 10. Mandates the task force to provide a progress report every three months and submit a final report of its findings and recommendations before December 31, 2016 to the Governor, the President of the Senate, the Speaker of the House of Representatives and the Secretary of State.
 11. Requires any that staff support the task force requests to be from any of the following:
 - a. the Department of Administration,
 - b. the Department of Transportation,
 - c. the Department of Revenue,
 - d. the Arizona Commerce Authority,
 - e. other executive branch personnel,
 - f. staff of the Joint Legislative Budget Committee,
 - g. any municipal planning organization in this state,
 - h. staff of the Senate, or
 - i. staff of the House of Representatives.
 12. Appropriates \$250,000 from the state General Fund in fiscal year 2015-2016 to ADOA to conduct the statewide study to identify vacant or underused buildings owned by the state.
 13. Requires ADOA to conduct the study in consultation and cooperation with the task force.
 14. States the appropriation is exempt from lapsing of appropriations.
 15. Contains a delayed repeal date from and after June 30, 2017.
 16. Contains an emergency clause.

CURRENT LAW

Not currently addressed in statute.

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1490

(Reference to Senate engrossed bill)

1 Page 1, line 5, strike "seven" insert "nine"; after "members" strike remainder of
2 line

3 Strike lines 6 through 11, insert "as follows:

4 1. One member who has at least ten years of transportation experience,
5 who is employed by a trucking company based in this state and who is
6 appointed by the governor.

7 2. One member who has at least ten years of transportation experience,
8 who represents a credible highway user group that represents the motoring
9 public and who is appointed by the governor.

10 3. Seven members, three of whom are appointed by the governor, two of
11 whom are appointed by the president of the senate and two of whom are
12 appointed by the speaker of the house of representatives."

13 Line 12, strike "B."; after "member" insert "who is appointed pursuant to this
14 paragraph"

15 Line 14, strike "1." insert "(a)"

16 Line 15, strike "2." insert "(b)"

17 Line 16, strike "3." insert "(c)"

18 Line 17, strike "4." insert "(d)"

19 Line 18, strike "5." insert "(e)"

20 Between lines 18 and 19, insert:

21 "B. The appointments shall be made within thirty days after the
22 effective date of this act. If an appointing authority fails to make
23 appointments within forty days after the effective date of this act, the

Adopted ☒ # of Verbals _____

Failed _____ Withdrawn _____

Not Offered _____ Analysts Initials _____

ARIZONA HOUSE OF REPRESENTATIVES
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ROLL CALL VOTE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE BILL NO. SB 1490

DATE March 8, 2016 MOTION: dpa

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Ackerley		✓			
Mr. Andrade		✓			
Mr. Borrelli		✓			
Mr. Campbell		✓			
Ms. Fann		✓			
Mrs. Fernandez			✓		
Mr. Kopec		✓			
Mr. Stevens, Vice-Chairman		✓			
Mr. Gray, Chairman		✓			
		8	1	0	0

APPROVED:

R. Gray
RICK GRAY, Chairman
DAVID W. STEVENS, Vice-Chairman

Andrea Allen
COMMITTEE SECRETARY

ATTACHMENT 5



HOUSE OF REPRESENTATIVES

SB 1492

taxis, limousines, livery vehicles

Prime Sponsor: Senator Worsley, LD 25

X Committee on Transportation and Infrastructure

Caucus and COW

House Engrossed

OVERVIEW

SB 1492 modifies regulations regarding taxi, limousine and livery vehicle services.

PROVISIONS

For-Hire Transportation

1. Mandates a taxi or livery vehicle to display a readily visible interior sign, in print or electronic format, or on a digital network or software application that contains the following:
 - a. the permittee's business name and address,
 - b. an accurate representation of all fares and the fare computation method, and
 - c. the driver's name.
2. Requires a taxi to display a readily visible exterior trade dress that must contain the word *taxi* or *cab*.
3. Prohibits a city, town or other taxing jurisdiction from levying a transaction privilege tax, (including a sales, use, franchise or other similar tax) or fee on gross proceeds of sales or gross income from the following:
 - a. transporting for hire persons, freight or property by TNCs subject to a fee;
 - b. transporting for hire persons, freight or property by TNC drivers on transactions involving transportation network services (TNS);
 - c. transporting for hire persons, freight or property by vehicle for hire companies that are issued permits; or
 - d. drivers of taxis, livery vehicles or limousines on transactions involving vehicle for hire services.

ADOT Regulations

4. Allows ADOT to inspect and test a taxi meter by random systematic method determined by the director or in response to a public complaint.
5. Requires a company to obtain a permit from ADOT in order to operate in Arizona, rather than a license.
 - a. States the permit is valid for three years.
 - b. Mandates an application fee of \$25 per vehicle used as a taxi by the company at the time of application, which cannot exceed \$1,000 per applicant.
 - c. Requires the company to maintain an agent for service of process in this state.
6. Removes specified department procedures on the confiscation and seizing of a commercial device or other measuring device, and the liability waiver for damages resulting from a seizure.

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7. Revises department regulations on devices for the prevention of unauthorized use.
8. Removes the requirement for the department to submit a report to the Governor.
9. Removes the mandate for a transportation network company (TNC) which does not require a driver to accept rides booked and paid for exclusively through the company's digital network or application to maintain the prescribed insurance coverages.

Violation Conditions and Classification

10. Eliminates the following civil penalties and the director's ability to double such penalties:
 - a. a commercial device found to be in violation that favor the retailer at more than twice the allowable tolerance;
 - b. a package found to have exceeded the maximum allowable variation for the labeled quantity or the average error of the lot is twice the sample error limit in favor of the retailer;
 - c. a maximum civil penalty has been imposed on a retailer for a price within 90 days, the failure rate is 10% or more and at least one error is in favor of the retailer.
11. Removes the civil penalty cap of \$10,000 for a 30 day period or for each public weighmaster, or a cap of \$50,000 for a 30 day period.
12. Modifies specific violations that result in a class 1 misdemeanor in regards to selling more or less than the quality of service and a false calculation of a taxi meter.
13. Removes the following weight and measure or commercial device violations which result in a class 2 misdemeanor:
 - a. utilization of a weight or measure or commercial device not bearing a seal or mark of approval from the department;
 - b. disposing of any rejected or condemned weight or measure contrary to law;
 - c. removal of a tag, seal or mark placed by an appropriate authority contrary to law; or
 - d. keeping a device for selling, advertising or offering or exposing for sale, service or condition contrary to law.

Miscellaneous

14. Defines *vehicle for hire* and *vehicle for hire company*.
15. Removes the definition of *commercial device*.
16. Modifies the definition of *motorized quadricycle*, *taxi*, *taxi meter*, and *trade dress*.
17. Contains an effective date from and after June 30, 2016.
18. Makes technical and conforming changes.

CURRENT LAW

Under A.R.S. § 28-9503 a commercial device license is required annually by the department and must be obtained no later than 30 days following the first day of commercial use for original installations. The fee for the license is determined by the director. Under subsection D a license for a taxi, livery vehicle or limousine can be attained after meeting the requirements of procuring the department required motor vehicle licensing and motor vehicle insurance.

A *transportation network company*, under A.R.S. § 28-9551, is defined as an entity that has been issued a permit and uses a digital network or software application to connect passengers to transportation network services provided by drivers and that may, but is not deemed to own,

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operate or control, a personal motor vehicle of a transportation network company driver. To operate a transportation network company a permit issued by the Department of Weights and Measures is required.

Currently, A.R.S. § 28-4038(C) a transportation network company that does not require a company driver to accept rides booked and paid for exclusively through the company's digital network or software application during the time the driver is logged in to the transportation network is required to maintain insurance coverages. The insurance is either maintained by the network company or the driver and shall include:

1. A primary commercial liability coverage of \$25,000 in the case of bodily injury or death of any one person in any one accident, \$50,000 in the case of bodily injury or death of two or more persons in any one accident, and \$20,000 in the case of injury or destruction of property in any one accident.
2. After a driver has accepted a ride request and during the time in which the passenger is being transported:
 - a. Primary commercial motor vehicle liability insurance in a minimum amount of \$250,000 per incident.
 - b. Commercial uninsured motorist coverage in a minimum amount of \$250,000 per incident.

As defined in A.R.S. § 28-9501 *commercial device* means any measuring device that is used to determine the direct cost of things or used to establish a fee for service if the cost is based on measure.

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ROLL CALL VOTE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE BILL NO. SB 1492

DATE March 8, 2016 MOTION: dp

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Ackerley		✓			
Mr. Andrade			✓		
Mr. Borrelli		✓			
Mr. Campbell			✓		
Ms. Fann		✓			
Mrs. Fernandez			✓		
Mr. Kopec			✓		
Mr. Stevens, Vice-Chairman		✓			
Mr. Gray, Chairman		✓			
		5	4	0	0

APPROVED:

Rick Gray
RICK GRAY, Chairman
DAVID W. STEVENS, Vice-Chairman

Andrea Allen
COMMITTEE SECRETARY

ATTACHMENT 7

ARIZONA STATE LEGISLATURE
 Fifty-second Legislature - Second Regular Session
COMMITTEE ATTENDANCE RECORD

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

CHAIRMAN: Rick Gray VICE-CHAIRMAN: David W. Stevens

DATE	<u>3/8</u> /16	/16	/16	/16	/16
CONVENED	<u>2:06 P.m.</u>	m	m	m	m
RECESSED					
RECONVENED					
ADJOURNED	<u>2:55 pm</u>				
MEMBERS					
Mr. Ackerley	✓				
Mr. Andrade	✓				
Mr. Borrelli	✓				
Mr. Campbell	✓				
Ms. Fann	✓				
Mrs. Fernandez	✓				
Mr. Kopec	✓				
Mr. Stevens, Vice-Chairman	✓				
Mr. Gray, Chairman	✓				

✓ Present --- Absent exc Excused